

Address to the  
Kiwanis International Legislator's Day  
by  
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(Introduction and initial comments not recorded)

There is a side of intelligence which is often forgotten. I sometimes say we carry the millstone of James Bond around our necks because that's the part everyone is excited and interested in. It is an essential part but a very small part of the total effort that we go into.

Why do we need intelligence? We need intelligence for the same reasons that impelled George Washington to send Nathan Hale behind the British lines. Incidentally, we have at the Agency in Washington a statue of Nathan Hale. It was put there over my protest. My reason for that is, he was a very brave young man and he uttered immortal lines but he was an intelligence agent who was captured on his first mission and he had all the evidence on him! And I'm not sure that that's what we want to hold up to our young career trainees. He also committed a serious breach of security. Before he went behind the British lines, he told one of his friends, a captain in the Continental Army, he was going to do this. The captain looked at him and said, "Nathan, how can you stoop so low as to become a spy?" So you see this particular syndrome is nothing new -- we've had it all along. Another thing is he was sent onto Manhattan Island to find out where the British were going to land. They were already there with the results that we know.

I'm happy to see in this room today so many young people. They are the bearers of all our hopes for tomorrow. The future of our country and the destiny of freedom will be in their hands. Frankly, I welcome the opportunity to get across a little perspective on the matter of intelligence. We have found it quite hard to get these matters drawn into some kind of perspective. We have no public relations program. We do not spend the taxpayers' money to glorify ourselves but we do welcome the opportunity to try and put the whole question of intelligence into some kind of perspective.

We live in tough times. Perhaps only 20% of mankind lives today in freedom. The US has always been considered by everybody to be unreachable and therefore unbeatable. That is no longer true. A reference was made here earlier to George Washington's admonition that "eternal vigilance is the price of liberty." We face today, for the first time since Valley Forge, a global adversary, the Soviet Union. Germany at the height of its power was a European power essentially. They could send some submarines off our coast and so forth but they were

not a global power. The Soviet Union is today a global power. The Angola case shows us that they are not only able but willing to project that power 10,000 miles from the Soviet Union. Tomorrow China will be such a global power.

There are four great questions that I think are the overriding mission of our Agency for which we owe answers to the American Government, to the President and to the Congress. These are the really key ones. Who will be in control of the Soviet Union five years from today? What will their disposition be toward us and toward our allies? What is there in Soviet research and development and technology that will impact on our lives tomorrow and the same two questions for China. These are the overwhelming questions which will be the problems that will face the young people in this room when they come to positions of power and decision in our country.

We have another new factor that has appeared. Economic intelligence. For the first time in our history foreign countries hold billions of dollars -- petro-dollars and Euro-dollars. How they move them around, how they apply them, can affect the livelihood of millions of Americans in California, Nebraska or in Georgia or anywhere else. It is of vital importance that we know this and that we not be taken by surprise. That our leaders be in the position to be able to make intelligent decisions in the light of what is really happening.

We all hope that the discussions with the Soviet Union will lead to a relaxation of tensions — will lead to reaching some agreements that will be of mutual benefit but I think this word mutual benefit is the important part. But I would like to point out that people often think of intelligence simply as a means of making war or carrying out some hostile action against some other country. Today, intelligence is a force for peace. No American President could sign any kind of an arms limitation treaty with the Soviet Union or any other country if he did not have the means of verifying whether that agreement was being kept or not.

We have to watch for a number of things in the world today. We have to watch international terrorism, a new factor. We have to watch the proliferation of nuclear weaponry which may well occur as a result of lessened confidence in the guaranty or the protection of the United States.

We've always had this feeling that intelligence is sort of Un-American and wasn't part of our way of doing things. In 1932 when Mr. Stimson<sup>1</sup> was the Secretary of State, he was handed a decoded message of another country and he turned it away saying; "Gentlemen don't read other gentlemen's mail." I don't want to blame Mr. Stimson personally but ten years later as Secretary of

War, he was up to his shoulders in other gentlemen's mail. That kind of a mentality led us to Pearl Harbor. Now we recovered from the Pearl Harbor naval incident. The question I think we ought to meditate is, could we recover from a nuclear Pearl Harbor?

The overriding charge of all of us in the organization to which I belong feel is the duty of not letting the American people be surprised. In this kind of a world, can we allow ourselves to blind ourselves by stifling or blinding the means by which we collect intelligence. Will history forgive us if we do?

We've always had this somewhat ambivalent outlook on intelligence. We've always had the feeling that it was somehow underhanded, and so forth and if you look at American history, during all our wars we built up an absolutely first class intelligence capability. Almost immediately thereafter we have dismantled it. During the revolution we had first class intelligence. During the Civil War, Mr. Lincoln had to hire a detective agency to provide intelligence to the Union Army. In World War I we built up a first class intelligence system and in World War II, I was sent to the US Army military intelligence training center at Camp Ritchie in August 1942. The man running it was a British colonel. That was the state of American intelligence after the European War had been going on more than two years.

Congress created, as the result of what happened at Pearl Harbor, in 1947, the Central Intelligence Agency. They created it to collect intelligence, to spy, if you want to use the dirty modern word that is used, but they didn't say so. Our charter simply said that we would do such other things as the National Security Council might direct. Sometimes in my office in Washington, I have foreigners coming in to see me and they come in with a slightly glazed look in their eye and they say, "You know, as I turned in the driveway here, I saw a road sign that said CIA — I don't believe it — nobody has road signs pointing to their secret intelligence agency."

It reminds me of the story about the Soviets' recruiting a spy in Naples. His name was Angelo and they took him to Moscow and trained him in short wave communications, secret writings and invisible ink and everything else. Then they sent him back to Naples and said stay there and in a couple years we will be in touch with you. So in a couple years, a guy came to the proper address and saw Angelo — ground floor right, and he pushed the button and said, "Mr. Angelo?" "Yes." He said, "I have come from Moscow." The guy looked at him and said, "This is a mistake, I'm Angelo, the tailor. Angelo the spy is

on the third floor." Sometimes I wonder if Angelo wasn't an American just between you and me. So we go on trying to do what we can.

President Kennedy once said of CIA, "You are condemned to have your failures trumpeted and your successes passed over in silence." It is difficult for us to point out successes or they become failures by the mere fact that they are unknown. The real purpose of intelligence collection is not -- it's great if you can say there will be a coup or a war on such a day -- but that is an extremely difficult thing to do. The real purpose is to broaden and deepen the understanding of the decision makers in the US Government of the problems they have to face. We constantly brief the President, Cabinet officers, and Congress both as committees and as individuals.

Now what does this cost you American taxpayers? Less than one penny out of every dollar spent by the US Government goes for the collection of intelligence. Since 1969, the relative amount devoted to intelligence has gone down, both as a percentage of the defense expenditure and as a percentage of the national budget. The manpower involved in intelligence has gone down 40% since 1969, at a time when the threats around us are growing. Intelligence provides clear understanding of what we face and what we must do. It enables our leaders to establish sound policy and to talk from a position of strength because knowledge is power.

Intelligence provides a solid basis for establishing what our own defense expenditures should be. If we did not have a fairly good idea of what potential adversaries might have, our own defense expenditures would soar out of sight. If we had to prepare against some unknown thing, we would always have to take the worse possible case and try to match that. Good intelligence enables us to prepare for contingencies before they occur. In fact, the existence of a credible US intelligence capability is one of the greatest deterrents in the world to anyone attempting to surprise us. Without intelligence, no agreements would be possible. We would have an arms race that would lead to a tinderbox.

How do we collect this intelligence? Surprisingly I would estimate that half the intelligence we collect is from open sources -- from newspapers, from broadcasts, from speeches, etc. Public statements of all types. That, of course, is the easiest kind of intelligence to collect. Then, from the great technical systems we have (and this is one of the great contributions I think

the US has made to intelligence -- the development of very technical systems) overhead reconnaissance, electronic reconnaissance of all sorts. These enable us to collect maybe 42% more of the intelligence which is a good deal more difficult. But still no camera will get you inside a man's head. These other means can tell you a great deal about the capabilities of other nations and other leaders but only human intelligence -- people -- can tell you what is inside a man's mind or what he intends to do.

Clear intelligence tells us what we must do -- what we must do to make deterrence -- the avoiding of war -- practical.

We carry out, as directed by the US Government, covert action -- political action. This has been the subject of much criticism and many people disagree with it and so forth. I would submit that if there had not been vast covert action by France against Great Britain, we might not be celebrating a Bicentennial this year. Before France went to war with Great Britain, there were 17,000 French troops in North America. If you put that in modern terms, it would be about 350,000 men and that's about as big a covert action as you can have. The question is and in this, we are submissive to the Congress. We know we cannot run an intelligence agency along the lines or in ways unacceptable to the American people through their representatives. We must choose as a people whether we wish to have any means of helping our friends quietly, between a diplomatic protest and landing American troops. Other people help their friends as we have seen rather recently so we must decide. If the American people don't want it, we don't do it. If they feel they must have some means of doing something between the extreme of landing American troops, we will do what we can.

We face an enormous KGB effort against the US. I don't know whether they were published here but I think very eloquently those photos of KGB agents at the funeral of the assassinated CIA man in Athens, taking pictures of everyone who was there, trying to identify the intelligence officers in our organization. The KGB is not exposed to the kind of exposure we are; the Soviets do not conduct public inquiries into their intelligence service. In fact, nobody does but us. We may be able to run our secret intelligence service in Macy's window but it will be just like going to the moon --- we will be the only ones to have done it. The KGB is a highly centralized agency. It has hundreds of thousands of people in it and they work without any of the restrictions that are imposed on the democratic countries. They are working to convince the American people that the real threat to American freedoms are the CIA and the FBI, and that they have no part in this. The other day I saw a rather good cartoon. The husband turned

to his wife and said, "This must be a real old movie -- CIA is the good guy."

What of the investigations? What of the allegations you have heard? If you look at the way history is presented, you get a rather dark picture of gloomy sinister organizations conducting their own private policies, threatening the privacy of Americans in their homes and their freedoms and so forth. Let's talk a bit about some of these so-called abuses. First of all, I cannot tell you we have not had in our organization some nuts, some crackpots, and some people who have used bad judgment. Seventy six thousand people have gone through the CIA since it was founded in 1947. When you are dealing with this number of people you are bound to have some bad eggs in the group. I would submit that if you take any other group of 76,000 in the US, community, or organization and subject them to the kind of scrutiny we have been subjected to for the past two years, our record would not look that bad. I've been asked -- how do you stop abuse in intelligence? I said the only thing I can think of is to stop using human beings. Because when you are dealing with large numbers of human beings, whether you are a factory manager or commander of a military unit or anything else, you are going to have people in your area who will do things they shouldn't have done or that you would not have wanted them to do. So I can't tell you we haven't had some of these. What I do tell you is that such abuses or ambiguous activities as have taken place have been distorted out of proportion and made to appear to be the rule rather than the exception.

Let's take assassination. You've all heard about it and the alleged terrible plots. What was the net finding. The net finding was that nobody was ever assassinated. Yes, undoubtedly people were talking about this, but they were talking about it at a time when the US was virtually, in a state of undeclared war with Cuba. For instance, this took place at a time when Castro was shooting people every day in front of the TV cameras in the national stadium in Havana. At a time in which two US administrations used force of arms at the Bay of Pigs which presumably was going to cause some casualties. But what was the end result. The end result was that nobody was assassinated.

Now you hear about the break-ins and you are given to believe that there were a vast number of break-ins. On the matter of break-ins and telephone taps, I would like to point out that the Director of CIA is the only person in the US Government who is charged by law with the protection of his sources and methods. That is, the security of his own people. Who were these break-ins staged against? They were staged against CIA employees who were believed to have taken home documents or something of that type. This does not justify it

but I think it puts it a little more in perspective. It was against the law unquestionably.

Wire taps. You have the impression the CIA was listening to everybody in the US. Well, the numbers involved were, there were 32 illegal wiretaps in 27 years. That's 1 1/5 wiretap per year. Mail opening -- yes, there was some illegal mail opening. But let's put that in perspective -- the only mail opening which occurred was mail going or coming to the Soviet Union or China, which mail had already been opened at the other end or was going to be shortly thereafter by somebody else.

Drugs. Yes, we did have one case where drugs were administered to a man without his knowledge. He subsequently committed suicide. This is clearly a case of extremely bad judgment and stupidity by whoever did it. Why were we doing this? Well, we saw a man at the end of the wall like Cardinal Mindszenty in Hungary who had been imprisoned and tortured by the Nazis and who never broke and suddenly the Communists served him up hollow-eyed to confess every crime in the book. The people who are old enough to remember, thought it was done with drugs. We believed those drugs might be used on our diplomats and military and we tried to find out how to defend ourselves from it. Not just the CIA I might add -- a large number of civilian research institutions were doing exactly the same thing. This is also true of the toxins. During the 1950s the Soviets killed several people by the use of these toxins in Germany. Here again we feared these might be used on us and wanted to find out how they work, how to protect our people and if need be, to retaliate. The US between the two World Wars renounced the use of poison gas shells for use as retaliation if poison gas were used against us.

Allegations that the CIA is somehow tied up with the Mafia. Yes, there was one occasion on which, again, very poor judgment was used in which the cooperation of the Mafia was sought in a plot to do away with Fidel Castro which was almost infantile in its nature. But I would point out that the US Government during the war made a deal with the Mafia by which we freed Lucky Luciano, the head of the Mafia, in return for intelligence that would help the landing in Sicily. So this was not a totally unprecedented thing in American history.

I am not trying to justify any of the wrong things that were done. I am simply trying to put them in perspective -- that they were few in number and far

between and, in fact, most of them occurred either in the 1950s or the early 1960s. In 1972, long before any of these investigations began, Mr. Helms, the Director of the CIA, put out a directive that assassinations would not even be discussed in this Agency. This was not something that was imposed on us from the outside, it was to put an end to loose talk. Anybody who has served in a military organization knows that you have a number of contingency plans. This does not mean that you are going to do these; these are things that you have in case some unusual situation is forced upon you.

Now we have the syndrome that the Founding Fathers wouldn't have liked this you know, this is not American and so forth. Well, in this Bicentennial year I've done a little research on the Founding Fathers and discovered some interesting things. The first thing is that George Washington, I think, was the greatest user of intelligence in American history. He was the greatest reader of intercepted letters that ever was. He organized at least two separate kidnap attempts on Benedict Arnold, and I think we all know what he intended to do with him if he got him. They were intelligence failures too, they didn't get him. He also attempted to kidnap a 17-year old midshipman who was stationed in New York in 1782 -- Prince William of Britain who was George III's fourth son. And there was a shoot-out at the door of the Prince's house and two people got killed. Fifty years later the American Minister to Great Britain was telling King William IV, the midshipman in question, about this plot. And he said that unlike Benedict Arnold, General Washington had sent word that you were to be treated with great kindness. The King, who was a hardy seafaring type, said, "Well I'm damn glad that he didn't get a chance to demonstrate it to me." On one occasion General Washington spent the night at the home of an American sympathizer in Connecticut called Holcombe. In the morning, as he was leaving, he got up on his horse to ride off and the host's wife came out and said, "General, where do you ride tonight?" And he leaned down in the saddle and he said, "Madam, can you keep a secret?" And she said, "Of course." And he said, "So can I, Madam." And he tipped his hat and rode off.

Then you get to Benjamin Franklin. Now Benjamin Franklin, for three years before the Revolution, when we were all loyal and devoted subjects of George III, was the Assistant Postmaster of British North America. And do you know what he was doing? He was opening that British mail like crazy. They

caught him. And they took him to London. And they tried him in front of the British Council. And they found him guilty but, before they could sentence him, he skipped off to France where he became the chief among the three American commissioners to the French government, whose principle action was the covert action of getting France involved in the war with Great Britain, which they were able to do successfully. Now Benjamin Franklin was a very mechanically minded man, as you'll recall, and he designed and had the French build him a printing press. And what did he print on the printing press? Well, he printed British currency, British passports, and fabricated atrocity stories for insertion in the British press.

Not long ago I was having lunch at Governor Harriman's in Florida with Anthony Eden, who was the British Prime Minister, and he was telling me what a hard time one of his ancestors had in Maryland during the Revolution. Robert Eden was suspected by the Americans of being a British sympathizer and the British suspected him of being an American sympathizer. And I said to him, "Yes, but in the meantime his brother William had totally penetrated Benjamin Franklin's office in Paris." He looked at me sharply and he said, "Oh, you know about that." They had penetrated it so totally that when the French told the Americans they were coming into the war, that information was in the hands of the British government 42-hours later. And if you had a horse in Paris and rode to the channel and got in a boat and went to England and got on a horse and rode to London it would be about 42 hours.

I think Mr. Truman in 1956 summed it up very well, when he said, "It matters not to the United States whether its secrets become known through publications or through the actions of spies, the damage to the United States is exactly the same in both cases. And I for one," said Mr. Truman, "do not believe that the best interests of our country are served by going on the principle that everybody has the right to know everything about us."

If we try to judge the past by the standards of today we are going to find ourselves with a very distorted picture. How would we judge the signers of the Declaration of Independence who owned slaves? How would we judge the beginning of our Republic when universal suffrage was not granted? This attempt to judge what was done in the early 1950s by the standards of 1970s, will always lead to distortion.

I want to make plain that we do not believe that the excuse of secrecy should be used to hide abuses. Neither should we help potential enemies. Those who oppose us know well what importance we attach with the people, fair play, and to the rights and freedoms of our citizens. And they rejoice in the fact that they do not have similar moral constraints in their attempts to alter or control our society. We must not allow our freedoms to be used to destroy the United States. We have a little bit of a pharisaical streak in us that says, "Oh Lord, I thank thee that I am not as other men like those dirty British, French, Russians, who engage in all that dirty business."

Not long ago, the head of a friendly foreign service told me this story. His mother is an American so he knows us pretty well. He said that on an island in the Pacific three guys got shipwrecked and washed up on the beach and they were captured by the cannibals. The chief of the cannibals said, "I have bad news and good news for you. The bad news is we are going to have you for lunch tomorrow, and the good news is I'll give you anything you want in the meantime." So he turned to the Frenchman and he said, "What do you want?" The Frenchman said, "Well, if I'm going to be done away with tomorrow morning I think I would just as soon spend the remaining hours with that beautiful cannibal girl over there." So they said OK and they untied him and he and the cannibal girl went off into the woods. Then they turned to the Englishman and they said, "What do you want"? The Englishman said, "I want a pen and paper." They said, "What do you want a pen and paper for?" He said, "I want to write a letter to the Secretary General of the United Nations to protest against the unfair, unjust and unsporting attitude you have adopted toward us." So they untied the Englishmen and they gave him a pen and paper and he started a "Dear Mr. Waldheim" letter. Then they turned to the American and they said, "What do you want?" He said, "I want to be led into the middle of the village, I want to be made to kneel down and I want the biggest cannibal here to kick me in the rear end." The chief said to his vice chief, "That's a weird request but those Americans are a weird bunch but since we promised, we've got to do it" So they untied the American, led him into the middle of the village, made him kneel down and the biggest cannibal kicked him and knocked him 15 feet. As the American sprawled out, he whipped out a submachine gun and cut down the nearby cannibals. The rest fled. The Frenchman hearing the gunfire came out of the woods; the Englishman hearing the gunfire came out of the hut and they looked at the American standing there with a smoking tommygun and they said, "My God, do you mean to say you had that gun the whole time?" The American said, "Sure." They said, "Well why didn't you use it before now?" The American

looked at them with an expression of hurt sincerity and he said, "But you don't understand -- it wasn't until they kicked me in the rear end that I had any moral grounds for such extreme and violent action."

The head of another foreign service said, "You know, I don't know why all you Americans aren't Catholic." I said, "What does that have to do with it?" Well, he said, "It's the only religion that offers confession for everybody, but I suppose it's the fact that it's private and in a small wooden box that is the real drawback.\*

You know, 2500 years ago, a Chinese writer wrote a book called The Art of War and he described how you do away with your enemy. This is what he said. Fighting is the most primitive form of making war. Then he described how you do it, and listen to these carefully, they were described 25 centuries ago. Number 1: Cover with ridicule all of the valid institutions in your opponent's country. Number 2: Involve their leaders in criminal enterprises and at the right time turn them over to the scorn of their fellow countrymen. Number 3: Aggravate by every means at your command all the existing differences within your opponent's country. Number 4: Agitate the young against the old. There are 13 of these. The final one: the supreme excellence is not to win 100 victories in 100 battles but the supreme excellence is to defeat your enemy without ever having to fight him.

In CIA we are an information organization. We have no part in the making of policy. This was driven home to me when I went to one of my first meetings at the White House. I briefed on the intelligence situation -- what would happen if we did A, B or C. We went around the table asking each person which one of these options he thought we should do. I guess by a slip of the finger he asked me and I said, "I think we should do B." He said, "You don't have any vote." We are an information agency. The idea that the CIA has policies of its own -- CIA's policies are the directives which it receives from the US Government. We will continue to do our best to prevent our nation from being surprised. I'm not an old CIA man -- I came there for the first time four years ago. People often ask me: "A, was it worth it?" and I say, "Yes." They say, "What's it like?" and I say, "Not as bad as World War II but somewhat worse than Vietnam or the Korean War." The people there have lived for years now under an avalanche of innuendo and slander with no means of replying. This is shabby treatment for the devoted Americans who live by the same principles as all others. I would sum up my four years there by saying, I am reassured -- reassured at the quality of the people I found there, reassured at their competence and

dedication, reassured by the fact that they live by the same standards of right and wrong as the rest of the American people. One of the encouraging things in these not easy times has been the vote of confidence from the young, four times as many young people are applying to work for the CIA than at any time in the past. The young are smart. They are harder to fool than people think. We will continue to do our best never to let our nation be surprised. But we bear a very heavy load. It's not just the survival of our nation, but it is the survival of human freedom. If we drop the torch there is no one to pick it up.

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Questions and Answers

1. Q: We're seeing unrest in China -- do you feel that what is happening will be crucial in the coming years? A: Yes, I do. I think that you have in China deep differences. The Chinese Mainland has presented us a sort of picture in China in which everybody has enough to eat and everybody is extremely happy in accepting the present regime and everything else. The riots after Chou En-lai's death show it. The Chinese said to me not long ago -- we Chinese are a hard working people who like to accumulate the good things of life and pass them on to our children. In the present structure of Mainland China this is possible only for a very small number and there is enormous frustration beneath the surface. If I were to guess as to what was happening in China, I would say we are basically witnessing a clash between the so-called radicals and moderates. I believe Mao has a sort of almost religious belief that the party must renew itself by constant purges lest it become bourgeois. The cultural revolution we are witnessing now and so forth. I think that if he lives, he will consolidate the victory of the so-called radicals. If he does not, I think the Peoples Liberation Army which is thirsty for the new weapons that only a stable China could produce. Because the Chinese Communist army is very conscious of the fact that they have equipment far inferior to that of the Soviets and only a stable China can produce the kind of sophisticated equipment that will give them the ability to face up to the Soviets. I was not long ago talking to someone from Taiwan and they had an interesting observation. They said, "Our short term interest lies in the victory of the moderates but our long term interest lies in the victory of the radicals who will keep China in such a turmoil that she will not be a threat to any other nation." I don't think the struggle is over, or will be over for quite a while. If you look at Chinese history, it is a series of a strong emperor who comes in and establishes strong central control and as the dynasty goes on, the control over the provinces slacks off until finally one of the provincial leaders marches to the capital and establishes a new strong central dynasty and that has gone on throughout Chinese history which is longer than anyone else's. I was in Taiwan not long ago and was taken to the national museum and my guide said to me at the end, "What do you think of all this?" I said it leaves me thoughtful as I look at the 6,000 years of your history

compared to the 200 years of ours. She smiled and said, "Yes, that is only half a dynasty isn't it?" I said, "Yes, but in that half a dynasty we went from barren rock on the coast of New England to walk the silent face of the moon -- in half a dynasty." That is why I believe that we are only at the beginning of our destiny.

2. Q: To what extent was the CIA involved in the overthrow of unfriendly governments -- more specifically the Allende government? A: The Allende government was overthrown by a military group headed by General Pinochet. This has been testified to publicly; on the direction of the US Government the CIA attempted to help some of the people who were opposed to Allende, the Christian Democrats, Nationalists, radicals and various other people. The CIA had no contact whatever with the group around Pinochet who overthrew Mr. Allende. That is my answer to your question: The CIA had nothing to do with the overthrow of Allende. Because we had tried to help some of his opponents earlier, some people just bridged the two and lumped them all together. These facts have been amply testified to before both the House and the Senate. But prior to Allende's overthrow, the Chief Justice of the Chilean Supreme Court, President Protempore of the Senate and Speaker of the House all issued statements to the effect that President Allende by his contempt for the will of the Congress, by his disregard of the decisions of the Supreme Court, had placed himself outside the constitution. I think these facts are not sufficiently borne in mind. The specific answer to your question is the CIA has no contact with General Pinochet or any of the people who actually overthrew Allende.

3. Q: Comment on the rift between China and USSR? A: The rift is quite serious. The Chinese talk about nothing but the millions of Soviets camped along the Chinese border which is an exaggeration. The Soviets, inevitable question -- do you know any Chinese? What are they up to? There are two great stories about that. One is that Brezhnev is at a meeting of the Politburo and the guy comes in and says, "Comrade Chairman, there are 50,000 (end of tape side A)

4. Q: General, what do you think of our future relations with Russia? A: I hope we can work out some agreement that is mutually profitable, that is advantageous to both sides. I think we both have a common interest in lightening the tax burden on our people. I think we both have interest in establishing procedures to avoid accidents and misunderstandings and so forth. I think

the fact of a hotline between the Kremlin and the White House, that we reached certain agreements to avoid incidents at sea, that we have reached certain agreements on limitations of strategic nuclear weapons are very good and I hope we can reach further such agreements providing they are of equal advantage to both sides. I think if you look at history, only agreements in which both sides feel they are deriving some advantage are lasting. But I would say the Russians love to quote proverbs and one of the most effective things you can do when talking to a Russian is quote a proverb. There is a Russian proverb which says, "When you make friends with a bear, don't let go of your axe."

5. Q: You mentioned that only one cent of the dollar is spent by all the intelligence community. Why is it then that the budget of the CIA is so secretive?

A: Well, let me just tell you about the budget of the CIA which is known in great detail to seven committees of Congress. That's not quite half the membership of the Congress. The reason why it is secret -- if the budget of the CIA were announced tomorrow the Capitol wouldn't fall down but if we had the budget of the KGB over a period of time, you could tell when something special was going on. For instance, if the budget of the CIA were published every year, the U2 program would have shown, the raising of the submarine would have shown, and you start an unraveling process whereby -- "Oh, it's bigger this year than last year, why, what are you doing," and again you get into the question of can you do it in Macy's window. But a very large percentage of the Congress knows what the budget is and I might add that our budgetary procedure is exactly the same as the Dept of Agriculture's or anybody else. We get an overall figure from the Office of Management and Budget as a planning figure. We then have to draw up a program and justify it in the most minute detail. That then has to go by all of our oversight committees which are six in number in the Congress, and they pass on it and are aware of it and know what it is. I might add that to go back to the past, the Revolution ran a thing called a Committee of Secret Correspondence and they were once asked to name their budget and their agents and they refused to do so and were sustained by the Congress. I might add further that this Congress has on two occasions voted by nearly a 2 to 1 majority not to make public the budget of the CIA. We cannot put ourselves in contempt of Congress.

6. Q: [Partly indistinguishable.] Do you see a change in role if there is a

change in power in Washington? A: I think we will get from the Congress considerably clearer guidelines as to what is tolerable and not tolerable but not in too much detail. They're not going to ultimately say you can do this, but not that. The President's Executive Order did have a few "Thou shaltnots..." Just to tell you a story, at the height of the assassination business, we had a group of Congressmen come out to the Agency and obviously the question of assassination came up. Someone said but if someone could have gotten Hitler in '43 or '44, he would undoubtedly have been the first joint recipient of the Congressional Medal of Honor and the Victoria Cross. And a young Congressman said, "Yes, but if you could have gotten him in '35 or '36 think how many lives you would have saved!" I said, "Congressman, do I understand you are advocating assassination in peacetime?" He said, "No, no. That's different." With regard to the leadership, no. The CIA serves the constituted authority of the United States and whoever it is we are there as the CIA.

7. Q: Does CIA contract with mercenaries? A: No, we do not have any mercenaries under contract now. We may have had some in the past with the facts reported appropriately to the Congress and in execution of a program which we were directed to do by the Government of the US. At present, we do not have any. I notice, however, that those who are on our side are mercenaries, and the Cubans in Angola are "freedom fighters." The terminology baffles me at times. We do not have any mercenaries. In Laos we were told the US Government did not want to commit American forces in Laos but wanted CIA to do something to prevent Laos from falling. We did, unsuccessfully I regret to say.

8. Q: Re CIA unclassified study of world food problems and weather studies.  
A: I don't always agree with all the CIA studies that are out. On a couple cases I voted against some of them. I tend to be a little cautious on some of the very long term studies. In about 1880 a study was made that said the population of New York could not grow beyond 2,000,000 since the number of carriages required to move the people the manure would be piled so deep in the city that transportation would be impossible. You have a valid question. There is no question that the problem of food is going to be an extremely acute one and it is one I think in one of the areas the US should be out in front and helping the less developed countries to develop their agricultural production. I think the population problem will come into balance over a period of time as countries develop the birth rate tends

to drop. But I think the problem of food is an immense one. We look at the Soviet Union which controls three times as much cultivable land as the US and 62 years after the revolution they are still unable to feed their population. This is one reason why I'm an optimist. I think any system that does that and still can't feed its people is not the wave of the future. I've been told that at the Kansas Missouri border, there is a huge sign that says, "Welcome to Kansas, the breadbasket of the Soviet Union." What we've got to do is find some way of exporting the technology that makes it possible for three Americans on the farm to feed 100 Americans when it takes 32 Russians on the farm to feed 100 Russians. I think one of the greatest gestures of friendship and comradeship we could give to the underdeveloped is to export some of this technology that makes this possible. It is a big problem. I don't totally disagree with the study, just a bit with doomsday business of it.

9. Q: Re CIA involvement with Summa Corporation. A: If I got into discussions of operations of that type, I really should not be a lame duck, I should be fired yesterday. I cannot discuss operational things. A great deal has been published. But when you have to do something this is complex and technical, you cannot do it within the organization, you have to find someone in that area who can do it for you. The Agency for years has contracted with various commercial firms who have the technical expertise. This is one of the remarkable things of the US, no one else goes outside the Government to do those things. We do because we trust our people. But I can't comment on it, it's an operational matter.

10. Q: Couldn't CIA counter adverse publicity by publicizing some of its victories? A: If you do, no other foreigner will ever trust you and we need friendly foreign services. We need friends abroad. One of the great problems we've had in the last few years is foreign services that are very helpful to us coming to us and saying, "Look I can't tell you this stuff. I'm going to see myself in your Congressional Record or in some American newspaper." We just have to bear the fact that we are thought to be incompetent and inept although we are producing what I believe to be the best intelligence in the world and putting it before our leaders.

11. Q: What can we as Kiwanis members do to help the CIA stop leaks that cost men their lives -- leaks that tell the names of individuals, show pictures of

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them in foreign countries. What do we do? I'm concerned etc. A: Basically, what you are talking about is a legislative problem. Only Congress can take action on that and if you would ask me in the simplest terms what you can do to help, I would say tell your elected representatives how you feel about it. Dick Welch was a close personal friend of mine. I was the one that authorized his going to Greece. I feel this very closely. I do not feel we should use missionaries but I do not feel we should deny any American the right to be of service to his country. These are immense problems. No other nation in the world has ever gone through these kind of revelations. You know if you just look at the other English speaking countries, when they have questions about their intelligence service, and they do, they appoint a commission of distinguished citizens who investigate that service thoroughly, without publicity and without drama, without political aspirations, they then turn the report into Parliament which takes sanctions against those who have done something wrong, establishes rules to make sure the people know what is right and wrong. When you begin to carry out this international striptease as we do, the consequences are those which you describe and I really have no answer for it. I can't tell you we are going to do it differently because that is the way we want to do it in America and we have to live with it regardless of the hardship to the individuals. I'll tell you one thing with a certain pride. Of all of these CIA people that have been exposed and named and harrassed etc., I do not know of one who has asked to be moved.

12. Q: How are we going to balance the need for secrecy with the need of the American public to base intelligent political decisions on the facts.

A: Well, I think it's a fundamental problem of democracy. Churchill once said that democracy is an awful form of government until you compare it to the alternatives. It's a tough problem--I think the only way we can do it without smashing the whole thing is to as thoroughly as possible brief as large a number of the representatives of the American people as possible. I might add, that I'm talking to you here today--I do not know a single other country anywhere in the world in which anybody occupying my position would be speaking publicly answering questions like this. It is one of the ways we try. It isn't everything but it's part of it.

- end -

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## ROUTING AND RECORD SHEET

D C I  
5 May 11

SUBJECT: (Optional)

Address to the Kiwanis International Legislator's Day  
by Lieutenant General Vernon A. Walters on 5 May 1976

Executive Registry

76-131811

FROM:

Deputy Chief of Operations, DCD  
912 Key Bldg. *Haw*

EXTENSION:

2267

NO.

(SF-246-76)

DATE

11 June 1976

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

RECEIVED FORWARDER

AA

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

FYI

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to us AT  
(great sketch)

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2. DDCI - Gen W

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## CALIFORNIA-NEVADA-HAWAII DISTRICT

Hugh D. Morgan, Chairman — Public and Business Affairs Committee  
3030 Telegraph Ave., Berkeley, Calif. 94705 415/845-2132

Mr. Angus MacLean Thuermer  
Assistant to the Director  
Central Intelligence Agency  
Washington, D.C. 20505

March 2, 1976

Dear Mr. Thuermer:

I have recently concluded participation in our 4 Midwinter Conferences in this District of Kiwanis International and found considerable interest for our forthcoming visit and address on May 5, 1976 by Lieutenant General Vernon A. Walters in Sacramento. I was in Sacramento yesterday and found even more in our State Capitol. While it is impossible to correctly predict, at this time, the exact number in attendance at noon in the Senator Hotel, Sacramento, we are still hopeful for some 1000 persons. I feel confident we will top our previous high mark, and especially that of our Legislators.

Please refer to my last letter and my request for the pertinent information as to the arrival, transportation, housing, etc. connected with his highly anticipated visit. Also, if there are news releases, quotes from his speech, and/or other publicity matter, please forward at your earliest convenience.

Again, kindly accept our gratitude for making all this possible.

Sincerely,

Hugh D. Morgan

c.c. Governor Mort Freedman

Sec'y E. Parker Smith

Darrell Coover, Washington, D.C.

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